

**Inside**



**SAVE MONEY  
AND ENHANCE  
PRODUCTIVITY  
WITH HR  
OUTSOURCING**



## HR Outsourcing to Improve Your Bottom Line

Should you outsource human resources? The definitive answer to this question lies with you and your knowledge of your company and its needs. However, there are a few key factors that should be weighed when making your decision. This guide will cover some of the pros and cons you will want to consider as well as tips for getting started if you should choose to outsource.

First, what types of services can you expect from an outsourced HR provider, or professional employment organization (PEO)?

Legal services, payroll and pensions are the three most commonly outsourced HR functions. Below are a few more services a PEO can provide:

- Benefits administration
- Human resource software solutions
- Screening and assessing of employees
- Employee performance reviews
- Health and safety courses
- Maintaining personnel files
- Creating and managing HR forms
- Employee orientations
- Handbooks, workplace procedures and policies
- Unemployment claims management
- Conflict resolution
- Termination assistance

Here is an overview of some of the more widely used processes:

1. **Payroll Processes** – Your HR provider can handle tax-sheltered annuities, garnishments, bonuses, salary structuring, paycheck distribution and all other payroll related processes.



2. **Benefits Management** – Medical, dental, vision, disability, and life insurance options, as well as 401k and other retirement plans can all be effectively handled by a qualified HR vendor..
3. **Employee Assistance Programs** – Many companies would like to provide access to qualified counselors for employees and their families but lack the budget to hire in-house counselors. EAP counseling sessions are private and confidential, and provide employees with the help they need to cope with family issues and other life challenges they may be facing.
4. **Drug Testing and Background Checks** – Drug testing is another function that is commonly outsourced. In fact, some states require that such testing be performed by an outside testing facility. Many employers also want all employees to undergo a background check and credit check as part of the hiring process.
5. **Recruiting** – Many HR firms offer services ranging from providing a temporary workforce to screening and recruiting for upper level executive and managerial positions.
6. **Employee Data Management** – Your vendor can collect and manage information regarding new hires, re-locations, promotions and other vital employee data.
7. **Compensation Consulting** – Outside consultants with expertise in total compensation can design custom plans that can motivate sales team members and executives to achieve optimum performance.

## What are some of the pros and cons of outsourcing HR?

A study by PricewaterhouseCoopers and Yankelovich Partners found that 86 percent of executives who outsourced HR functions believe that outsourcing will allow them to focus on core, strategic business processes. Here are some of other advantages you will likely find with a successful outsourced relationship:

- Cost savings continues to be the main reason most companies outsource human resources. Retaining the in-house expertise required to maintain the technology, process and compliance dynamics involved in HR administration can be cost prohibitive for some companies.



- Outsourcing HR offers flexibility; you can outsource a single function, such as benefits, to get started and to assess the value provided as well as the cost savings and then add other processes as you see the need.
- Many in-house HR departments have limited abilities compared with the amount of functions and services an outsourced provider can give you. Through your HR partner you will be able to provide a wider range of benefits, for example.
- An outside vendor has the advantage of objectivity and can advise you on areas where you might want to cut back on spending; if providing the ultimate benefits package has been placing a strain on your budget, can help you find a middle ground.
- HR outsourcing can be a constructive way of selectively utilizing outside resources in the form of tools, human expertise, systems and infrastructure to augment your labor force administration processes.
- You may also see an increase in employee productivity when you outsource HR processes. Your PEO will be able to effectively monitor and analyze employee performance and implement changes that will increase productivity among employees.
- Data provided by the Human Capital Index shows a strong correlation between the effectiveness of a company's people practices and its market value. Strong human resource practices can increase your company's profitability and productivity. Your PEO can help strengthen your company's relationship with your employees.
- There are certain liabilities and risks associated with certain internal HR duties, such as administering health and retirement benefits. HR outsourcing companies often have greater knowledge of HR laws and regulations, which can help you avoid exposure to liability claims.

There are also some disadvantages to consider:

- A study by Accenture found that 14% of the executives surveyed believed that cost factors were an impediment to expanding their use of outsourcing.



- With an outsourced provider managing your payroll, HR and recruitment processes, you could run the risk of having your employees' confidential data exposed to a third party.
- Cost savings may not meet your expectations. In a study by Accenture, 14 percent of the executives surveyed considered cost factors to be a barrier to increasing their use of outsourcing; some even bringing their outsourced processes back in house.
- Difficulties with your service provider can make outsourcing HR unnecessarily problematic. These may include failure of the provider to meet agreed upon timeframes for projects, lack of communication, lack of attention to regulatory requirements, or generally low service standards.
- According to a study by the Society for Human Resource Management, the loss of face-to-face communication is the most cited disadvantage of outsourcing. In some situations, employees would prefer to sit down and talk about their concerns in person rather than call an 800 number.

### ***Qualities to look for in a provider***

When you outsource, your PEO provides the management and administration of your HR functions through the practice of “co-employment,” which means the PEO contractually assumes substantial employer rights, responsibilities and risks by establishing long-term relationships with your employees. Understandably, you will want to find a provider who will work for your best interests as well as that of your employees.

- Look for a provider that offers a wide variety of HR services, from payroll, benefits administration and regulatory compliance to value-added employee services such as college tuition assistance programs and discounts on transportation, shopping, fitness club memberships and flu shots.
- Consider the credentials of the firm's consulting staff. Have their HR professionals earned credentials such as the PHR, awarded by the Human Resources Certification Institute, an affiliate of the Society for Human Resources Management ([www.shrm.org](http://www.shrm.org)).
- Seek out a provider that maintains strong relationships with other reputable professionals who are involved in the HR industry, such as CPAs, attorneys and insurance providers.



- Be sure the company you choose follows the insurance industry's best practices in cost containment, workers' compensation and risk management.
- Select an HR provider who guarantees on-time, accurate submissions of tax payments.
- Choose a company that places strong emphasis on risk management and will fully adhere to all federal, state and local regulations. This compliance should be manifest in the provider's risk management programs and safety assessments, which should be conducted by certified risk managers.
- The company should also provide training programs to ensure its employees' adherence to various regulations and standards, such as the Fair Labor Standards Act, COBRA, Title VII, Wage and Hour Laws, Americans with Disabilities Act, Family Medical Leave Act and OSHA.
- Most HR providers can offer your employees online access to view their benefits and conduct basic transactions. Most also provide toll-free numbers.
- To make the transition easier, you can begin by outsourcing a simple function such as COBRA compliance; maintaining compliance with COBRA regulations is vital, and violations can be costly. Flexible Spending Accounts is another function that can be easily outsourced, relieving you of the administrative burden.

### ***Best practices for success***

- Retain your in-house HR expert. It can be a mistake to dismiss your HR subject matter expert (SME) when you outsource. Their in-depth knowledge of your current practices and policies will help to keep new processes aligned with your company's culture and operational standards.
- Limit your outsourcing to administrative or secondary HR functions that are not fundamental to your business, keeping core, essential activities in-house. This will require careful assessment of each HR function to decide whether it would be a good candidate for outsourcing.



- Know your reasons for outsourcing; companies often plunge into outsourcing without clearly defining the rationale for their decision or the goals they want to achieve. When you clearly understand your needs and what you hope to accomplish, both you and your provider will be able to more effectively work toward those goals. Carefully review the current performance of your HR department to make an informed decision about which functions should be outsourced and what improvements you can expect.
- Involve your HR department in the outsourcing procedure. When your human resources professionals are involved in the process this can benefit your company greatly. Outsourcing non-core HR activities will enable HR executives to contribute their knowledge and expertise when it comes to strategic planning and decision making.
- Communicate with your employees about your company's outsourcing initiative. Open communication will help clarify issues and misconceptions. In a European poll by Coleman Parkes, commissioned by Logica CMG, 200 employees whose positions were outsourced were interviewed before, during and after the process, and 91 percent said that after the process was fully explained, they realized most of their fears had been unfounded. Initiate discussion about the process as early as possible after you decide to outsource.
- Form a "transition team" to minimize personnel issues and moderate political and cultural complications. The team can help employees through the transition, explaining what to expect, exactly how it will affect them, and how their roles will change.

### ***In Conclusion***

Nicole Sherard-Freeman, client change management consultant for Ceridian, notes, "The greatest value an HR professional can deliver is in aligning a company's people practices (talent management, recruiting, succession planning, performance alignment, etc.) with its business strategy."

Human resources outsourcing is a strategic move that can improve the quality and flexibility of your workforce. Outsourcing HR functions can enhance your company's resiliency and ability to adapt to ever-changing market forces.



To simplify the vendor selection process, experts at InsideUp have carefully selected top, national firms that provide high quality outsourced HR services to businesses at significant cost savings. By taking a few minutes to answer questions about your company's HR needs, you can be matched with leading HR outsourcing service companies who will provide you with free competitive price quotes without any obligation.

## ***Glossary***

### ***Absolute ratings***

A rating method where the rater assigns a specific value on a fixed scale to the behavior or performance of an individual instead of assigning ratings based on comparisons between other individuals.

### ***Affirmative action***

Also: Positive discrimination.

Carried out on behalf of women and disadvantaged groups and members of such groups are placed in dominant positions.

### ***Appraisal***

See Performance planning.

### ***Attrition***

A term used to describe voluntary and involuntary terminations, deaths, and employee retirements that result in a reduction to the employer's physical workforce.

### ***Autocratic leadership***

Leader determines policy of the organization, instructs members what to do/make, subjective in approach, aloof and impersonal.

### ***Balanced Scorecard***

A popular strategic management concept developed in the early 1990's by Drs. Robert Kaplan and David Norton, the balanced scorecard is a management and measurement system which enables organizations to clarify their vision and strategy and translate them into action. The goal of the balanced scorecard is to tie business performance to organizational strategy by measuring results in four areas: financial performance, customer knowledge, internal business processes, and learning and growth.



### ***Behaviorally anchored rating scale (BARS)***

An appraisal that requires raters list important dimensions of a particular job and collect information regarding the critical behaviors that distinguish between successful and unsuccessful performance. These critical behaviors are then categorized and appointed a numerical value which is used as the basis for rating performance.

### ***Behavioral based interview***

An interview technique which focuses on a candidates past experiences, behaviors, knowledge, skills and abilities by asking the candidate to provide specific examples of when they have demonstrated certain behaviors or skills as a means of predicting future behavior and performance.

### ***Behavioral competency***

The behavior of the employee which is the subject of measurement and appraisal in terms of whether or not the behaviors shown by an employee are those identified by job analysis/competency profiling as those contributing to team and/or organizational success.

### ***Benchmarking***

A technique using quantitative or qualitative data to make comparisons between different organizations or different sections of the organizations.

### ***Bereavement leave***

Paid days off following the death of an employee's spouse, parent, child grandparent or in-law so that the employee may attend funeral proceedings, etc.

### ***Branding***

The process of identifying and differentiating an organization's products, processes or services from another organization by giving it a name, phrase or other mark.

### ***Broadbanding***

A pay structure that consolidates a large number of narrower pay grades into fewer broad bands with wider salary ranges.

### ***Bumping***

The practice of allowing more senior level employees whose positions have been slotted for elimination or downsizing the option of accepting an alternative position within the organization, for which they may be qualified to perform and which is currently occupied by another employee with less seniority.



### ***Change management***

The deliberate effort of an organization to anticipate change and to manage its introduction, implementation, and consequences.

### ***Clean slate***

The Criminal Records (Clean Slate) Act 2004 establishes a clean slate scheme to limit the effect of an individual's convictions in most circumstances (subject to certain exceptions set out in Section 19) if the individual satisfies the relevant eligibility criteria.

### ***Coaching***

A one-to-one process between a manager and subordinate, whereby the former will 'train' the latter. See also Mentoring.

### ***Collective bargaining***

The process by which [an] employer[s] will negotiate employment contracts with [a] union[s].

### ***Competency-based pay***

Competency based pay is a compensation system that recognizes employees for the depth, breadth, and types of skills they obtain and apply in their work. Also known as skill based and knowledge based pay.

### ***Competencies***

'an underlying characteristic of a person' 'motive, trait, skill, aspect of one's self-image or social role, or a body of knowledge'.

### ***Competitive advantage***

'People are the source of competitive advantage'. Other systems in an organization can be copied but not the people in the organization.

### ***Confidentiality agreement***

An agreement restricting an employee from disclosing confidential or proprietary information.

### ***Constructive dismissal***

1. Coercion by threats to act or promises to refrain and includes a resignation given as an alternative to be dismissed.
2. A breach of duty by the employer leading a worker to resign.



### ***Contingent workers***

Employees who may be: casual labor, part-timers, freelancers, subcontractors, independent professionals and consultants.

### ***Contract for services***

An agreement with an independent contractor.

### ***Contract of service***

An employment agreement.

### ***Core competencies***

The skills, knowledge and abilities which employees must possess in order to successfully perform job functions which are essential to business operations.

### ***Core labor force***

A small group of permanent workers, for example, strategists, planners.

### ***Corporate mission***

The aims and objectives of an organization.

### ***Cost leadership***

A strategy of becoming the lowest-cost producer in its industry.

### ***Cyclical unemployment***

A form of unemployment – rises in times of economic recession and falls in times of prosperity. Now shows signs of being able to withstand increased prosperity.

### ***Decision tree model***

One of the Contingency theories of leadership – developed by Vroom and Yetton (1973).

### ***Deregulation***

The removal of entities such as financial markets, road and transport from governmental control.

### ***Distance learning***

The process of delivering educational or instructional programs to locations away from a classroom or site to another location by varying technology such as video or audio-conferencing, computers, web-based applications or other multimedia communications.



### ***Disciplinary procedure***

A procedure carried out in the workplace in the event of an employee committing some act contrary to terms of the employment agreement. If the act is regarded as Gross Misconduct this may lead to Summary Dismissal.

### ***Discrimination***

The favoring of one group of people to the detriment of others.

### ***Distributive bargaining***

Related to the process of Negotiation. Known also as Competitive bargaining – The parties are concerned with their respective shares of the benefits available and compete and conflict with each other until one side wins an increased share at the expense of the other.

### ***Dual labor markets***

organizations will operate with a small Core Labor Force and a Peripheral Labor Force

### ***Due diligence***

A critical component of mergers and acquisitions, it is the process by investigation and evaluation is conducted to examine the details of a particular investment or purchase by obtaining sufficient and accurate information or documents which may influence the outcome of the transaction.

### ***Emotional intelligence***

Describes the mental ability an individual possess enabling him/her to be sensitive and understanding to the emotions of others as well as being able to manage their own emotions and impulses.

### ***Employee relations***

A broad term used to refer to the general management and planning of activities related to developing, maintaining, and improving employee relationships by communicating with employees, processing grievances/disputes, etc.

### ***Employee retention***

organizational policies and practices designed to meet the diverse needs of employees, and create an environment that encourages employees to remain employed.

### ***Empowerment***

The process of enabling or authorizing an individual to think, behave, take action, and control work and decision-making in autonomous ways.



### ***Equity theory***

Based on the notion that people are motivated by a desire for fairness, that is, to be treated fairly and will compare their own efforts and the rewards of others in the organization with a view to judging the fairness of their treatment.

### ***Exit interview***

An interview between a member of staff of the organization that an employee is leaving to ascertain the reasons for the employee leaving the organization. Should not be carried out by employee's immediate superior. Used for possible changes.

### ***Fixed term employment***

An employee and an employer may agree that the employment of the employee will end at the close of a specified date or period or on the occurrence of a specified event or at the conclusion of a specified project.

### ***Forced ranking***

Forced ranking systems direct managers to evaluate their employees' performance against other employees, rather than the more common (and often grade inflated) measure of evaluating performance against pre-determined standards. The result of such a process is often brutally blunt: The top 20 percent of performers are amply rewarded, and the bottom 10 percent is shown the door.

### ***Freedom of association***

The right to belong to a union. As protected by the Human Rights Act 1993.

### ***Functional job analysis***

The preparation required for the construction of a job description. It is necessary to collect data on the job to be advertised.

### ***Goal setting***

The process of setting and assigning a set of specific and attainable goals to be met by an individual, group or organization.

### ***Good faith bargaining***

A duty under Section 4 of the Employment Relations Act 2000 to conduct negotiations where two parties meet and confer at reasonable times with open minds and the intention of reaching an agreement.

### ***Grievance***

A complaint brought by one party to an employment contract against another party.



### ***Group dynamics***

The social manner in which people interact with each other within a group.

### ***Gross misconduct***

An act committed by any personnel likely to lead to Summary Dismissal. Examples may be:

### ***HR audit***

A method by which human resources effectiveness can be assessed. Can be carried out internally or HR audit systems are available.

### ***Hawthorne effect***

A term produced as a result of an experiment conducted by Elton Mayo whereby he concluded that expressing concern for employees and treating them in a manner which fulfills their basic human needs and wants will ultimately result in better performance.

### ***Hierarchy of needs***

A psychology theory ascribed to Abraham H. Maslow in which he proposed that people will constantly seek to have their basic needs (sleep, food, water, shelter, etc.) fulfilled and that such needs ultimately determine behavior

### ***Human capital***

The collective knowledge, skills and abilities of an organization's employees.

### ***Incentive pay***

Additional compensation used to motivate and to reward employees for exceeding performance or productivity goals.

### ***Independent contractor***

A person who works for him/herself but has a contract for services with another person/organization.

### ***Individual employment agreement***

The legal relationship between an employee and employer. See Part 6 of the Employment Relations Act 2000

### ***Induction***

The process of introducing a new employee into the organization.



### ***Industrial relations***

The study of theories and practices in the workplace relationship.

### ***Intangible rewards***

Non-monetary re-enforcers such as praise given to an employee in recognition of a job well done, or a particular achievement.

### ***ISO 9000***

Developed by the International organization for Standardization (ISO), it is a set of standards for quality management systems that is accepted around the world. organizations that conform to these standards can receive ISO 9000 certification. The standard intended for quality management system assessment and registration is ISO 9001. The standards apply uniformly to organizations of any size or description.

### ***Job analysis***

The preparatory stage for writing job descriptions.

### ***Job description***

A written description of a job which includes information regarding the general nature of the work to be performed, specific responsibilities and duties, and the employee characteristics required to perform the job.

### ***Job evaluation***

Used for compensation planning purposes, it is the process of comparing a job with other jobs in an organization to determine an appropriate pay rate for the job.

### ***KPI's***

Key Performance Indicators. Tasks that have been agreed between an employee and line manager/HR with an expectation that they will be completed satisfactorily in the time agreed or as an ongoing task.

### ***KSAs***

Knowledge, skills and abilities – the personal attributes that a person has to have to perform the job requirements.

### ***Labor market***

A geographical or occupational area in which factors of supply and demand interact.



### ***Labor force participation***

A rate at which the number of people in the labor force is divided by the number of people of working age x 100.

### ***Leadership development***

Formal and informal training and professional development programs designed for all management and executive level employees to assist them in developing the leadership skills and styles required to deal with a variety of situations.

### ***Legislation***

Law emanating from Parliament in the form of Acts.

### ***LIFO***

In the event of a redundancy situation occurring, the system of 'last in first out' is regarded as the most equitable method of choosing those who should be made redundant.

### ***Lump sum payment***

A fixed negotiated payment which is not typically included in an employee's annual salary. Often times given in lieu of pay increases.

### ***Matrix organization***

An organizational structure where employees report to more than one manager or supervisor.

### ***Mediation services***

The process of intervention by a specialist in an employment dispute. Provided under the Employment Relations Act 2000.

### ***Mentoring***

A one-to-one process between an outside trainer and an employee, whereby the former will 'train' the latter. See also Coaching.

### ***Minimum wages***

The lowest level of earnings of employees set by Government.

### ***Mission statement***

A statement illustrating who the company is, what the company does, and where the company is headed.



### ***Motivation***

The reason(s) why a person works at a particular job and for a particular organization. Subject to various theories relating to the way they do things.

### ***Motivational theories***

An attempt to explain how people are motivated, in the form of work behavior and performance.

### ***Myers-Briggs type indicator***

A psychological test used to assess an individual's personality type.

### ***Negotiation***

The process of discussion with a view to mutual settlement usually by the means of a conference.

### ***Nepotism***

Favoritism shown to relatives by individuals in a position of authority such as CEO's, managers or supervisors.

### ***Observation interview***

The process of observing employees while performing their respective jobs or tasks used to collect data regarding specific jobs or tasks.

### ***Onboarding***

A relatively new term, it is more far reaching than historical orientation programs. It links new employees with team members very early in the employment process and continuing after the traditional orientation program ends.

### ***OSH***

Occupational health and safety – the law relating to the health and safety of personnel at work.

### ***Organizational culture***

A pattern that emerges from the interlocking system of the beliefs, values and Behavioral expectations of all the members of an organization.

### ***Orientation***

The introduction of employees to their jobs, co-workers, and the organization by providing them with information regarding such items as policies, procedures, company history, goals, culture, and work rules. Similar to Induction.



### ***Outplacement***

A benefit offered by the employer to displaced employees who may consist of such services as job counseling, training, and job-finding assistance.

### ***Outsourcing***

A contractual agreement between an employer and an external third party provider whereby the employer transfers responsibility and management for certain HR, benefit or training related functions or services to the external provider.

### ***Pareto chart***

A bar graph used to rank in order of importance information such as causes or reasons for specific problems so that measures for process improvement can be established.

### ***Peer appraisal***

A performance appraisal strategy whereby an employee is reviewed by his/her peers who have sufficient opportunity to examine the individual's job performance.

### ***Performance management***

Evaluating and developing the work performance of employees in an organization, in order that organizational objectives are more effectively achieved and understood by employees.

### ***Performance improvement***

Performance Improvement Plan when you have identified a performance problem and are looking for ways to improve the performance of an employee. The Performance Improvement Plan plays an integral role in correcting performance discrepancies. It is a tool to monitor and measure the deficient work products, processes and/or behaviors of a particular employee in an effort to improve performance or modify behavior.

### ***Performance planning***

A total approach to managing people and performance. Involving setting performance aims and expectations for the organization, departments and individuals employees.

### ***Personal grievance***

A complaint brought by one party to an employment contract against another party. See Part 9 of the Employment Relations Act 2000.



### ***Probationary arrangements***

Where the parties to an employment agreement agree as part of the agreement that an employee will serve a period of probation or trial after the commencement of the employment. See Section 66 Employment Relations Act 2000

### ***Quality management***

The process or system of ensuring that a product or service should do what the user needs or wants and has a right to expect. There are five dimensions to quality, design, conformance, availability, safety and field use.

### ***Random testing***

Drug and alcohol tests administered by an employer which selects employees to be tested on a random basis.

### ***Recruitment***

The process of bringing into an organization personnel who will possess the appropriate education, qualifications, skills and experience for the post offered.

### ***Redundancy***

The act of dismissing an employee when that employee is surplus to the requirements of the organization.

### ***Replacement charts***

A visual summary of the numbers of incumbents in each job or family of jobs, the number of current vacancies per job and the projected future vacancies. See Succession planning.

### ***Request for proposal (RFP)***

A document an organization sends to a vendor inviting the vendor to submit a bid for a product or, service.

### ***Restrictive covenant***

A contract clause requiring executives or other highly skilled employees to refrain from seeking and obtaining employment with competitor organizations in a specific geographical region and for a specified period of time.

### ***Return on investment (ROI)***

A ratio of the benefit or profit derived from a specific investment compared to the cost of the investment itself.



### ***Right to manage***

The 'right' of management to make decisions and to run an organization without interference from external or internal forces.

### ***Risk management***

The use of insurance and other strategies in an effort to minimize an organization's exposure to liability in the event a loss or injury occurs.

### ***Strategic HRM***

The process of aligning human resources more closely to the strategic and operating objectives of the organization.

### ***Strategic planning***

The process of identifying an organization's long-term goals and objectives and then determining the best approach for achieving those goals and objectives.

### ***Succession planning***

Involving identifying a potential candidate to replace core individual employees either known to be leaving the firm at some point in the future and/or whose sudden departure would pose a risk to the operation of the firm.

### ***Summary dismissal***

The act of dismissing personnel immediately, usually because the person has committed some act of Gross Misconduct.

### ***Suspension***

A form of disciplinary action resulting in an employee being sent home without pay for a specified period of time.

### ***Talent management***

Talent Management, often times referred to as Human Capital Management, is the process recruiting, managing, assessing, developing and maintaining an organization's most important resource—it's people!

### ***Tangible rewards***

Rewards which can be physically touched or held (i.e., a gift certificate, gifts in the form of merchandise, or a savings bond.)



### ***360-degree feedback***

An appraisal process whereby an individual is rated on their performance by people who know something about their work. This can include direct reports, peers, managers, customers or clients; in fact anybody who is credible to the individual and is familiar with their work can be included in the feedback process. The individual usually completes a self-assessment exercise on their performance, which is also used in the process.

### ***Total remuneration***

The complete pay package awarded employees on an annual basis, including all forms of money, benefits, services, and in-kind payments.

### ***Training and development***

A process dealing primarily with transferring or obtaining knowledge, attitudes and skills needed to carry out a specific activity or task.

### ***Training needs analysis***

A method of analyzing how employee skill deficits can be addressed through current or future training and professional development programs, as well as determining the types of training/development programs required, and how to prioritize training/development.

### ***Turnover***

Describes changes in the work force resulting from voluntary or involuntary resignations.

### ***Unions***

Groups of workers who have formed incorporated associations relating to the type of work that they perform.

### ***Unjustifiable dismissal***

The act of terminating an employee's employment agreement for a reason that the Employment Relations Authority or Employment Court regards as unjustifiable.

### ***Wage curve***

Depicts pay rates currently being paid for each job within a pay grade in relation with the rankings awarded to each job during the job evaluation process.



### *Wage drift*

The gap between the Collective Agreement rate and the rate actually paid. Evidence of geographical variations in wage levels.

### *Whistle blower*

Whistle blower protection is contained in the Protected Disclosures Act 2000. The Act provides protection to employees against retaliation for reporting illegal acts of employers. An employer may not rightfully retaliate in any way, such as discharging, demoting, suspending or harassing the whistle blower. Employer retaliation of any kind may result in the whistle blower bringing a personal grievance against the employer.

### *Work-life balance*

Having a measure of control over when, where and how an individual's works, leading to their being able to enjoy an optimal quality of life. Work-life balance is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business and society.